GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:4850
ANSWERED ON:24.04.2003
WORLD BANK LOAN TO POWER GRID CORPORATION OF INDIA
TUFANI SAROJ

Will the Minister of POWER be pleased to state:

(a) whether the Power Grid Corporation of India Ltd. has recently taken loan from the World Bank for laying optical fibre;

(b) if so, the details of the amount of loan and the terms and conditions thereof;

(c) whether the Corporation has done the job of laying optical fibre earlier also;

(d) if so, the length of optical fibre in kilometers laid by the Power Grid Corporation so far;

(e) the amount spent thereon;

(f) whether the Corporation has earned profit from this project; and

(g) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : PGCIL signed an agreement with World Bank on 13th June, 2001 for aloan of US$ 450 million (Power System Development Project-II) for implementation ofits various schemes which includes the project for Establishment of a Backbone Telecom Network. The loan has become effective from 21.11.2001 and will close on 30.06.2006. The repayment of the loan, which has LIBOR based interest rate, will commence on 15.12.2006 with a total repayment period of 15 years.

(c) & (d) : The investment approval for the project for Establishment of a BackboneTelecom Network for POWERGRID has been issued on 12.3.2003. The projectenvisages establishment of broadband optic fibre backbone network of about 14,000 Kms. covering more than 60 major cities in the country. The project is scheduled to be completed by December, 2003. POWERGRID has already established about 4,800 Kms. of optic fibre network including links under Unified Load Despatch & Communication(ULDC) schemes and Delhi-Mumbai Telecom link.

(e) : POWERGRID has so far spent an amount of about Rs.202 crore on opticafibre which includes cost apportioned to telecom on the investment made in the ULDC projects, optic fibre links established on transmission systems and Delhi-Mumbai Telecom Link.

(f) & (g) : The project for the Establishment of Backbone Telecom Network forPOWERGRID is scheduled to be completed by December, 2003. Although, POWERGRID has started earning some revenue from the optical fibre links establishedunder ULDC projects and the Delhi-Mumbai Telecom Link, the profitability of theBackbone Telecom Network project would be known after the project is fully operational.